

The President's Weekly Address

March 27, 2010

This was a momentous week for America. It was a week in which, together, we took bold new steps toward restoring economic security for our middle class and rebuilding a stronger foundation for our future. It was a week in which some of the change that generations have hoped for and worked for finally became reality in America.

It began with the passage of comprehensive health insurance reform that will begin to end the worst practices of the insurance industry, rein in our exploding deficits, and, over time, finally offer millions of families and small businesses quality, affordable care and the security and peace of mind that comes with it. And it ended with Congress casting a final vote on another piece of legislation that accomplished what we've been talking about for decades, legislation that will reform our student loan system and help us educate all Americans to compete and win in the 21st century.

Year after year, we've seen billions of taxpayer dollars handed out as subsidies to bankers and middlemen who handle Federal student loans, when that money should have gone to advancing the dreams of our students and working families. And yet attempts to fix this problem and reform this program were thwarted by special interests that fought tooth and nail to preserve their exclusive giveaway. But this time, we said, we would be different. We said we'd stand up to the special interests and stand up for the interests of students and families. That's what happened this week. I commend all the Senators and Representatives who did the right thing.

This reform of Federal student loan programs will save taxpayers \$68 billion over the next decade. And with this legislation, we're putting that money to use achieving a goal I set for America. By the end of this decade, we will once again have the highest proportion of college graduates in the world.

To make college more affordable for millions of middle class Americans for whom the cost of higher education has become an unbearable burden, we're expanding Federal Pell grants for students, increasing them to keep pace with inflation in the coming years and putting the program on a stronger financial footing. In total, we are doubling funding for the Federal Pell grant program to help students who depend on it.

To make sure our students don't go broke just because they chose to go to college, we're making it easier for graduates to afford their student loan payments. Today, about two in three graduates take out loans to pay for college. The average student ends up with more than \$23,000 in debt. So when this change takes effect in 2014, we'll cap a graduate's annual student loan repayments at 10 percent of his or her income.

To help an additional 5 million Americans earn degrees and certificates over the next decade, we're revitalizing programming at our community colleges, the career pathways for millions of dislocated workers and working families across this country. These schools are centers of learning, where students young and old can get the skills and technical training they need for the jobs of today and tomorrow. They're centers of opportunity, as well, where we can forge partnerships between students and businesses so that every community can gain the workforce it needs—and they are vital to our economic future.

And to ensure that all our students have every chance to live up to their full potential, this legislation also increases support for our minority-serving institutions, including our Historically Black Colleges and Universities, to keep them as strong as ever in this new century.

Education and health care, two of the most important pillars of a strong America, grew stronger this week. These achievements don't represent the end of our challenges, nor do they signify the end of the work that faces our country. But what they do represent is real and major reform. What they show is that we're a nation still capable of doing big things. What they prove is what's possible when we can come together to overcome the politics of the moment, push back on the special interests, and look beyond the next election to do what's right for the next generation.

That's the spirit in which we continue the work of tackling our greatest common tasks—an economy rebuilt, job creation revitalized, an American Dream renewed for all people.

Thank you.

NOTE: The address was recorded at approximately 11:15 a.m. on March 26 in the Map Room at the White House for broadcast on March 27. The transcript was made available by the Office of the Press Secretary on March 26 but was embargoed for release until 6 a.m. on March 27. The Office of the Press Secretary also released a Spanish language transcript of this address.

Categories: Addresses and Remarks : Weekly addresses.

Locations: Washington, DC.

Subjects: Budget, Federal : Deficit; Budget, Federal : Government programs, spending reductions; Business and industry : Global competitiveness; Education : Global competitiveness; Education : Minority students; Education : Postsecondary education :: Affordability; Education : Postsecondary education :: Career training and continuing education; Education : Postsecondary education :: Community colleges; Education : Postsecondary education :: Historically Black Colleges and Universities ; Education : Postsecondary education :: Pell grants; Education : Postsecondary education :: Student loans, elimination of subsidies to private providers; Education : Postsecondary education :: Student loans, repayment cap; Employment and unemployment : Job training programs; Health and medical care : Health insurance reforms; Health and medical care : Insurance coverage and access to providers; Health and medical care : Patient Protection and Affordable Care Act; Health and medical care : Small businesses, tax credits to purchase insurance coverage; Health Care and Education Reconciliation Act of 2010; Health Care and Education Reconciliation Act of 2010.

DCPD Number: DCPD201000207.